## 104TH CONGRESS 1ST SESSION

## H. R. 1452

To amend the Harmonized Tariff Schedule of the United States to clarify that certain footwear assembled in beneficiary countries is excluded from duty-free treatment, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 1995

Mr. Rose (for himself, Mr. Clay, Mr. Lipinski, Mrs. Mink of Hawaii, Mr. Pickett, Mr. Rahall, Mr. Sanders, Mr. Quillen, and Mr. Emerson) introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To amend the Harmonized Tariff Schedule of the United States to clarify that certain footwear assembled in beneficiary countries is excluded from duty-free treatment, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. TREATMENT OF CERTAIN FOOTWEAR.
- 4 (a) IN GENERAL.—U.S. Note 2 to subchapter II of
- 5 chapter 98 of the Harmonized Tariff Schedule of the
- 6 United States is amended—

1	(1) in paragraph (a) by striking "paragraph
2	(b)" and inserting "paragraphs (b) and (c)";
3	(2) in paragraph (b)—
4	(A) by inserting "or footwear not accorded
5	duty-free treatment under paragraph (c)," after
6	"apparel article", and
7	(B) by striking the last sentence, and
8	(3) by adding at the end the following new
9	paragraph:
10	"(c)(i) An article of footwear provided for in any of
11	subheadings 6115.93.20, 6402.91.40, 6402.99.18,
12	6404.11.20 through 6404.19.90, and 6405.20.90, may not
13	be treated as a foreign article, or as subject to duty, if—
14	"(A) the requirements of paragraph (b) (i) and
15	(ii) are complied with respect to the article;
16	"(B) the article is produced by an existing foot-
17	wear manufacturer; and
18	"(C) the article is entered during any calendar
19	year after 1994 before the aggregate quantity of
20	footwear produced by that manufacturer and entered
21	during the calendar year exceeds the annual duty-
22	free footwear amount for that manufacturer.
23	"(ii) For purposes of this paragraph:
24	"(A) The term 'annual duty-free footwear
25	amount' for an existing footwear manufacturer

- 1 means, in the case of articles of footwear provided
- 2 for in a subheading classification listed in clause (i),
- an amount equal to the average monthly quantity of
- 4 footwear provided for under such classification that
- was exported to the United States during calendar
- 6 year 1994, by all existing manufacturing facilities of
- 7 such manufacturer, multiplied by 12.
- 8 "(B) The term 'existing footwear manufacturer'
- 9 means a person that was operating at least 1 exist-
- ing manufacturing facility on December 31, 1994.
- 11 "(C) The term 'existing manufacturing facility'
- means a footwear manufacturing facility that was
- operating in a beneficiary country on December 31,
- 14 1994.
- 15 "(iii) The United States International Trade Com-
- 16 mission shall—
- 17 "(A) identify each existing footwear manufac-
- turer; and
- 19 "(B) determine the annual duty-free footwear
- amount for each applicable footwear subheading
- classification for each such manufacturer,
- 22 and provide such identification and determination to the
- 23 Secretary of the Treasury.

- 1 "(iv) The Secretary of the Treasury shall by regula-
- 2 tion specify such relevant entry information as may be re-
- 3 quired for purposes of implementing this paragraph.
- 4 "(d) For purposes of paragraphs (b) and (c), the
- 5 term 'beneficiary country' means a country listed in gen-
- 6 eral note 7(a).".
- 7 (b) Effective Date.—The amendments made by
- 8 this section apply to goods entered on or after the 15th
- 9 day after the date of the enactment of this Act.

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